

## **MEMORANDUM**

**TO: Commissioners Hardy, Hadley, Landis, Server and Ziegner**  
**FROM: Jerry L. Webb, Director of Gas/Water/Sewer Division**  
**DATE: March 30, 2006**  
**RE: Utility Articles for Next Conference**

The following Final Articles A, C, E and Preliminary Articles A are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after April 6, 2006.

**“A” Final**

The following new miscellaneous item will be eligible for final consideration at the next Commission Conference and based upon a review of it by staff members of the Commission, I recommend approval.

**1. Communications Corporation of Indiana d/b/a TDS Telecom.**

The utility is removing multi-line Subscriber Line Charge (SLC) language from the Digital Transport Service section of their Tariff I.U.R.C. No. 1. The language is outdated and is being replaced with language that indicates the applicable F.C.C. charges that will be assessed per the NECA F.C.C. Access Tariff No. 5.

Cost support for the service was not included since this change does not change the cost or revenue incurred by the Company.

The following tariff sheet is affected by this filing:

I.U.R.C. No. 1, Section 6, Sheet 23.

**“C” Finals**

In order to maintain parity and be in compliance with the Commission's Final Order in Cause No. 39369 issued June 2, 1993, the following local exchange carrier has filed intrastate access parity tariffs mirroring its respective interstate equivalent. The requirements prescribed for this filing in Commission Order No. 39369 have been carried out and I recommend approval.

**Federal Communications Commission**

<u>Item</u>	<u>Local Exchange Carrier</u>	<u>Transmittal Number</u>	<u>File Date</u>	<u>Effective Date</u>
1.	IBT d/b/a AT&T Indiana	1531	03-03-06	03-18-06
2.	IBT d/b/a AT&T Indiana	1539	03-17-06	03-18-06

**“E” Final**

Revisions to the wholesale water cost tracking factor have been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in 170 IAC 6-5 have been met and approval is recommended.

<b><u>Item</u></b>	<b><u>Utility</u></b>	<b><u>\$/1,000 gallons change</u></b>	<b><u>\$/1,000 gallons resultant</u></b>
1.	B&B Water Project, Inc.	\$0.21	\$0.65

Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.

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Jerry L. Webb  
Director of Gas/Water/Sewer Division

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I approve of all items as presented above:

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I approve of all items as presented above except:

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Not participating in the following items:

I, \_\_\_\_\_, Disapprove Items

No.

I, \_\_\_\_\_, Wish to Defer Items

No.

I hereby certify that the above is a true and correct copy of the action on the articles.

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Acting Executive Secretary

### **“A” Preliminary**

The following new miscellaneous items have been reviewed by staff members of the Commission and we recommend accepting them for filing.

#### **1. Cogeneration and Alternate Energy Production Facilities**

The following utilities have submitted proposed tariffs for the purchase of power and energy from a qualifying facility as required in Appendix A, Rules and Regulations with Respect to Cogeneration and Alternate Energy Production Facilities, (170 I.A.C. 4-4.1), Cause No. 37494. Review of the rates and the support data reveals that these utilities have complied with the requirements of these Rules.

<u>Utility</u>	<u>Rate Schedule</u>	<u>Energy (\$/kWh)</u>	<u>Demand (\$/kW/month)</u>
AEP (I&M)	COGEN/SPP		
	Standard	0.0314	3.70
	Metering Charge (\$/mo)		
	Single Phase	0.75	
	Polyphase	0.95	
	TOD – On Peak	0.0363	3.70
	TOD – Off Peak	0.0279	3.70
	Metering Charge (\$/mo)		
	Single Phase	0.85	
	Polyphase	1.00	
IP&L	CGS Peak Period	0.0249	3.08
	CGS Off Peak Period	0.0141	3.08
NIPSCO	CG		
	Time of Use Meter		
	Summer - On	0.05431	3.99
	- Off	0.02121	“
	Winter - On	0.05312	“
	- Off	0.02541	“
	Standard Meter		
	Summer	0.03894	“
	Winter	0.03778	“

PSI Energy, Inc.	Rider No. 50	0.03427	3.85
SIGECO	CSP		3.26
	Annual On-Peak	0.04705	
	Annual Off-Peak	0.02443	

## **2. Indiana Michigan Power Company, d/b/a American Electric Power**

The Utility has submitted for Commission review a request for approval to restore the fiscal Year 6 net merger savings reduction rider factors following the third quarter reconciliation pursuant to the Commission's April 26, 1999 Order in Cause No. 41210 relating to the merger of American Electric Power Company, Inc. and Central and South West Corporation (Order). The fiscal Year 6 required rate reductions were temporarily adjusted for the February through April 2006 billing months for the reconciliation of fiscal Year 5.

The Settlement Agreement in Cause No. 41210 specified that the annual bill reduction amounts would be allocated to rate classes based upon total revenues, excluding fuel cost adjustment, and credited to customers' bills through the application of a per kilowatt-hour (kWh) factor specific to each rate class. The Agreement also stated that each individual year's bill reduction would apply for a twelve-month period except for an adjustment during each third quarter to reconcile actual kWh sales and projected kWh sales for the prior year.

As also described in I&M's testimony in Cause No. 41210, prior to the beginning of each fiscal year following consummation of the merger, I&M will make a 30-day filing to establish the net merger savings reduction rider factors to effect that fiscal year's customer bill reduction. Prior to the third quarter of each fiscal year (except the first fiscal year), a 30-day filing will be made to establish the adjustment to the riders, to reconcile actual kWh sales and projected kWh sales for the prior fiscal year. The adjusted rider factors will be in effect for the seventh through the ninth billing months of each fiscal year (except the first fiscal year). The Company will make a separate 30-day filing prior to the conclusion of the third quarter reconciliation period, that returns factors to the current fiscal year unadjusted levels following the reconciliation period. This process will be repeated annually through the reconciliation of the eighth fiscal year. The last reconciled reduction will continue to apply in years following the end of the eighth fiscal year until I&M's Indiana base rates are changed.

Attachment B to the Utility's filing provided the calculations of the proposed AEP/CSW net merger savings reduction rider factors.

The tariff sheets affected by this filing for the remaining billing months of fiscal Year 6 are:

Eleventh Revised Sheet No. 19  
Eleventh Revised Sheet No. 19.1  
Tenth Revised Sheet No. 21  
Eleventh Revised Sheet No. 22  
Eleventh Revised Sheet No. 23.1  
Fifth Revised Sheet No. 31

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Jerry L. Webb  
Director of Gas/Water/Sewer Division